

Rhode Island Commerce Corporation

Request for Proposals for
Pension Plan Audit Services

Questions and Answers

Question 1: Given the timing of the RFP, Q&A period and responses, will the timing of the 2014 draft report and finalization of the audit be adjusted/moved out?

Answer 1: We will move the delivery date for the FY 2014 draft pension plan financial statement from May 31, 2015 to June 30, 2015. We will move the delivery date of the final pension plan financial statement from June 15, 2015 to July 15, 2015.

Question 2: What time frame would financial information and participant data be available to begin the audit?

Answer 2: Financial and participant information will be available upon the awarding of the audit. The financial statements and notes will be prepared by the auditor. We do not have a GL and the auditor will have to use the trustee statements.

Question 3: Are the assets in the trust legally segregated for into two classes (one for employees of Commerce Corporation and one for Quonset Development Corporation)?

Answer 3: No, they are not segregated into two classes.

Question 4: Based on the answer to #2, what is the expectation of the number of plan's and associated financial statements?

Answer 4: There is one plan, one set of financial statements and 2 employers participating.

Question 5: According to the RICC 6/30/14 audited financial statements, the Rhode Island Commerce Corporation Pension Plan and Trust is a single employer plan which appears different from the RFP. Can you clarify the plan requiring an audit?

Answer 5: The plan has two participating employers and represents a cost sharing multiple employer plan.

Question 6: According to the RICC 6/30/14 audited financial statements, there is also a defined contribution plan under IRS section 401(a). Does this require an audit? Is it being included in this RFP as an amendment?

Answer 6: The DC plan is not within the scope of the audit or RFP.

Question 7: Will management have the ability to present the most recent 10 years of Required Supplementary Information or will this be applied prospectively?

Answer 7: RSI will be presented prospectively and we expect the auditors will prepare the RSI schedules.

Question 8: It appears that the June 30, 2014 numbers of the Pension Plan, as disclosed in Note 8 of the Corporation's financial statements, has already been audited. What is the reason for the separate audit of the June 30, 2014 numbers?

Answer 8: The plan was not previously audited. An audit of the plan is considered a good management practice and will assist us in complying with GASB Statement No. 68, which is effective this fiscal year.